



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

August 17, 2004

**H.R. 1662
Endangered Species Data Quality Act of 2004**

As ordered reported by the House Committee on Resources on July 21, 2004

SUMMARY

Under the Endangered Species Act (ESA), certain species of plants and animals are listed as threatened or endangered based on assessments of the risk of their extinction. H.R. 1662 would amend the ESA to clarify the role of science as the basis for making certain decisions under that act.

CBO estimates that implementing H.R. 1662 would cost \$27 million over the 2005-2009 period, assuming appropriation of the necessary amounts. The bill would not affect direct spending or revenues. H.R. 1662 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1662 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2005	2006	2007	2008	2009
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	5	5	5	6	6
Estimated Outlays	5	5	5	6	6

BASIS OF ESTIMATE

Under the ESA, the Secretary of the Interior and the Secretary of Commerce maintain a list of species that are threatened or endangered. The ESA outlines a multistage process of review and public participation that the two Secretaries must follow in making decisions to list or unlist a species and develop plans for its recovery.

H.R. 1662 would specify new requirements and procedures regarding the collection, use, and review of information throughout that process. Specifically, the bill would:

- Require the Secretaries of the Interior and Commerce to promulgate regulations establishing criteria that studies must meet to serve as the basis for decisions under the ESA;
- Direct the Secretaries to give greater weight to studies that use empirical or field-tested data;
- Authorize the Secretaries to appoint individuals to review the information used in making certain decisions under the ESA; and
- Direct the Secretaries to solicit and consider information from state agencies, landowners, and others who might be affected by decisions under the ESA.

Based on information from the Department of the Interior and the National Marine Fisheries Service, CBO estimates that implementing H.R. 1662 would cost \$5 million in 2005 and \$27 million over the 2005-2009 period, assuming appropriation of the necessary amounts. That amount includes \$3 million in 2005 and \$17 million over the next five years for increased administrative costs to the agencies. The estimate also includes \$2 million a year over the next five years for the cost of compensating individuals who review information used in certain ESA decisions. That estimate assumes that such individuals would review roughly 200 decisions a year at an average cost of \$10,000.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1662 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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